

<i>SERFF Tracking Number:</i>	<i>AGNN-126982529</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>The Variable Annuity Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>47689</i>
<i>Company Tracking Number:</i>	<i>GMWB-1210</i>		
<i>TOI:</i>	<i>A02.1G Group Annuities - Deferred Non-Variable and Variable</i>	<i>Sub-TOI:</i>	<i>A02.1G.002 Flexible Premium</i>
<i>Product Name:</i>	<i>GMWB Endorsement</i>		
<i>Project Name/Number:</i>	<i>GMWB-1210/GMWB-1210</i>		

## Filing at a Glance

Company: The Variable Annuity Life Insurance Company

Product Name: GMWB Endorsement

SERFF Tr Num: AGNN-126982529 State: Arkansas

TOI: A02.1G Group Annuities - Deferred Non-Variable and Variable

SERFF Status: Closed-Approved-Closed  
State Tr Num: 47689

Sub-TOI: A02.1G.002 Flexible Premium

Co Tr Num: GMWB-1210

State Status: Approved-Closed

Filing Type: Form

Author: Nancy R Smith

Reviewer(s): Linda Bird

Date Submitted: 01/12/2011

Disposition Date: 01/19/2011

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: GMWB-1210

Status of Filing in Domicile: Pending

Project Number: GMWB-1210

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Individual Market Type:

Overall Rate Impact:

Filing Status Changed: 01/19/2011

State Status Changed: 01/19/2011

Deemer Date:

Created By: Nancy R Smith

Submitted By: Nancy R Smith

Corresponding Filing Tracking Number:

Filing Description:

This endorsement filing is being submitted for your review and approval. It is a new form and will not replace any form previously approved by your Department.

To the best of our knowledge and belief, this submission is in compliance with the statutes and regulations of your state and contains nothing that has been previously objected to or disapproved by your Department. No part of this filing contains any unusual or possibly controversial items from normal company or industry standards. We certify that we are in compliance with Regulations 19 and 49, as well as AR. Code Ann. 23-79-138. This endorsement will be marketed by VALIC agents to the general and tax-qualified markets.

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Company Tracking Number: GMWB-1210  
TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
Variable and Variable  
Product Name: GMWB Endorsement  
Project Name/Number: GMWB-1210/GMWB-1210

The Optional Guaranteed Minimum Withdrawal Benefit (GMWB-1210) Endorsement is an optional endorsement that provides for a guaranteed minimum withdrawal benefit. The benefit helps create a guaranteed income stream, even if the contract value is reduced to zero, that may be taken in a series of withdrawals for the lifetime of either one or two covered persons. The benefit is available for election for an additional fee.

A statement of variability is included that provides for the ranges within which the benefit may be offered.

The endorsement will be used with previously approved VALIC Individual Fixed and Variable Annuity contracts and with future annuity products which are approved by your Department.

## Company and Contact

### Filing Contact Information

Nancy R. Smith, Compliance Analyst Sr Nancy.R.Smith@valic.com  
2929 Allen Parkway, L10-30 800-262-4764 [Phone] 6070 [Ext]  
Houston, TX 77019-2155 713-831-6932 [FAX]

### Filing Company Information

The Variable Annuity Life Insurance Company CoCode: 70238 State of Domicile: Texas  
2929 Allen Parkway, L10-30 Group Code: 11 Company Type:  
Houston, TX 77019 Group Name: State ID Number:  
(713) 831-1305 ext. [Phone] FEIN Number: 74-1625348

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$100.00  
Retaliatory? Yes  
Fee Explanation: Texas fee is \$100.  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Variable Annuity Life Insurance Company	\$100.00	01/12/2011	43713560

SERFF Tracking Number:	AGNN-126982529	State:	Arkansas
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Product Name:	GMWB Endorsement		
Project Name/Number:	GMWB-1210/GMWB-1210		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	01/19/2011	01/19/2011

<i>SERFF Tracking Number:</i>	<i>AGNN-126982529</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Company Tracking Number:</i>	<i>GMWB-1210</i>		
<i>TOI:</i>	<i>A02.1G Group Annuities - Deferred Non-</i>	<i>Sub-TOI:</i>	<i>A02.1G.002 Flexible Premium</i>
	<i>Variable and Variable</i>		
<i>Product Name:</i>	<i>GMWB Endorsement</i>		
<i>Project Name/Number:</i>	<i>GMWB-1210/GMWB-1210</i>		

## Disposition

Disposition Date: 01/19/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

*SERFF Tracking Number:* AGNN-126982529      *State:* Arkansas  
*Filing Company:* The Variable Annuity Life Insurance Company      *State Tracking Number:* 47689  
*Company Tracking Number:* GMWB-1210  
*TOI:* A02.1G Group Annuities - Deferred Non-Variable and Variable      *Sub-TOI:* A02.1G.002 Flexible Premium  
*Product Name:* GMWB Endorsement  
*Project Name/Number:* GMWB-1210/GMWB-1210

<b>Schedule</b>	<b>Schedule Item</b>	<b>Schedule Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Flesch Certification		Yes
<b>Supporting Document</b>	Application		No
<b>Supporting Document</b>	Life & Annuity - Acturial Memo		No
<b>Supporting Document</b>	SOV		Yes
<b>Form</b>	Endorsement		Yes

SERFF Tracking Number: AGNN-126982529 State: Arkansas

Filing Company: The Variable Annuity Life Insurance Company State Tracking Number: 47689

Company Tracking Number: GMWB-1210

TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
Variable and Variable

Product Name: GMWB Endorsement

Project Name/Number: GMWB-1210/GMWB-1210

## Form Schedule

Lead Form Number: GMWB-1210

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	GMWB-1210	Certificate Amendment, Insert Page, Endorsement or Rider	Endorsement	Initial		50.000	GMWB-1210.pdf

**OPTIONAL GUARANTEED MINIMUM WITHDRAWAL BENEFIT ENDORSEMENT  
ENDORSEMENT DATA SCHEDULE**

**CONTRACT NO:** [GBX 1235]

**COVERED PERSON(S):** [John Doe  
Jane Doe]

**BENEFIT EFFECTIVE DATE:** [May 1, 2011]

**ELIGIBLE PURCHASE PAYMENTS:**

[1. [100%] of Purchase Payments received in the [1]<sup>st</sup> Contract Year; and

2. Purchase Payments received in each of Contract Years [2-5], capped each year at an amount equal to [200%] of the Purchase Payments received in Contract Year [1]

Purchase Payments received in Contract Years [6] and later will not be considered Eligible Purchase Payments.]

[Your Accumulation Value on the Benefit Effective Date is considered the Eligible Purchase Payment for purposes of determining your initial Benefit Base, initial Income Credit and Minimum Income Base. Additional Purchase Payments made to the Contract after the Benefit Effective Date will not be considered Eligible Purchase Payments.]

**PURCHASE PAYMENT LIMIT:**

[The sum of Eligible Purchase Payments cannot exceed [\$1,500,000] without prior Company approval]

[The Accumulation Value on the Benefit Effective Date cannot exceed [\$1,500,000] without prior Company approval]

**ENDORSEMENT FEE:**

The Endorsement Fee is assessed against the Benefit Base and deducted from the Accumulation Value at the end of each Benefit Quarter. The Initial Annual Fee Rate, set forth in the table below, is guaranteed not to change for the first Benefit Year. After the first Benefit Year, on each Benefit Quarter Anniversary, we will (1) deduct the fee in effect for the previous Benefit Quarter; and (2) determine the fee rate applicable to the next Benefit Quarter. The fee rate can increase or decrease each Benefit Quarter, subject to the minimums and maximums in the table below. We will deduct the fee from the Fixed Account and Variable Account options in proportion to the Accumulation Value.

Number of Covered Persons on Endorsement Effective Date	Initial Annual Fee Rate	Maximum Annual Fee Rate	Minimum Annual Fee Rate	Maximum Annualized Fee Rate Increase or Decrease Each Benefit Quarter*
One Covered Person	[1.10%]	[2.20%]	[0.60%]	+/- [0.25%]
Two Covered Persons	[1.35%]	[2.70%]	[0.60%]	+/- [0.25%]

\*The fee rate can increase or decrease no more than [0.0625%] each Benefit Quarter [(0.25%/4)].

**INITIAL BENEFIT BASE:** [\$50,000]

**INITIAL INCOME CREDIT BASE:** [\$50,000]

**INCOME CREDIT PERCENTAGE:** [6%]

**INCOME CREDIT PERIOD:** Beginning on the Benefit Effective Date and ending [12] years later

**MAXIMUM ANNUAL WITHDRAWAL AND PROTECTED INCOME PAYMENT PERCENTAGES:**

Age at First Withdrawal after the Benefit Effective Date	Maximum Annual Withdrawal Percentage		Protected Income Payment Percentage
	One Covered Person	Two Covered Persons*	One or Two Covered Person(s)
[Age 45 but less than Age 65]	[6.0%]	[5.5%]	[3.0%]
[Age 65 and older]	[6.0%]	[5.5%]	[4.0%]

\*Based on the age of the younger Covered Person.

**MINIMUM BENEFIT BASE:**

[200%] of [Eligible Purchase Payments received in the first Benefit Year] [the Accumulation Value on the Benefit Effective Date] effective on the [12<sup>th</sup>] Benefit Anniversary, provided no Withdrawals are taken prior to that anniversary while this Endorsement is in effect

Notwithstanding any provision in the Contract or Certificate ("Contract") to the contrary, this Endorsement becomes a part of the Contract to which it is attached. Should any provision in this Endorsement conflict with the Contract, the provisions of this Endorsement will prevail, except to the extent required to attain or maintain the Contract's status as a qualifying annuity contract under sections 72, 401, 403, 408 and/or 457 of the United States Internal Revenue Code ("Code"), as now or hereafter amended, as such section or sections are applicable to the arrangement under which the Contract is issued or maintained.

Subject to the terms and conditions set forth herein, this optional Endorsement provides a Guaranteed Minimum Withdrawal Benefit over the lifetime of the Covered Person(s). You may take Withdrawals under the Guaranteed Minimum Withdrawal Benefit as prescribed by this Endorsement while this Endorsement is in effect.

**DEFINITIONS**

The terms defined below and the various components of the Guaranteed Minimum Withdrawal Benefit calculation are explained in greater detail throughout this Endorsement. Terms not defined in this Endorsement have the same meaning given to them in the Contract.

**AGE**

Age means the attained age as of the Covered Person's last birthday. If there are two Covered Persons as shown above on the Endorsement Data Schedule, Age means the attained age of the younger Covered Person or the lone surviving Covered Person as of his or her last birthday.

**ANNIVERSARY VALUE**

The Anniversary Value equals the Accumulation Value minus any Ineligible Purchase Payments, as measured on each Benefit Anniversary.

**BENEFIT ANNIVERSARY**

A Benefit Anniversary is the first business day of each Benefit Year.

**BENEFIT BASE**

The Benefit Base is a component of the calculation of the Guaranteed Minimum Withdrawal Benefit, which is used to determine the Endorsement Fee, the Maximum Annual Withdrawal Amount and the Protected Income Payment.

**BENEFIT EFFECTIVE DATE**

The Benefit Effective Date is the date when this Endorsement becomes effective as shown above on the Endorsement Data Schedule. If this Endorsement is elected at Contract issue, the Benefit Effective Date is Your Contract Date of Issue. If this Endorsement is elected after Your Contract has been issued, the Benefit Effective Date is the next business day after receipt by Us in good order at our Home Office of Your written documentation electing the Guaranteed Minimum Withdrawal Benefit.

**BENEFIT QUARTER**

A Benefit Quarter is each consecutive [3 month] period starting on the Benefit Effective Date.

**BENEFIT QUARTER ANNIVERSARY**

A Benefit Quarter Anniversary is the first business day following each consecutive [3 month] period starting on the Benefit Effective Date.



**BENEFIT YEAR**

A Benefit Year is each consecutive one year period starting on the Benefit Effective Date and each Benefit Anniversary, and ending on the day before the next Benefit Anniversary.

**CONTRACT YEAR**

A Contract Year is each consecutive one year period starting on the Contract Date of Issue.

**COVERED PERSON(S)**

A Covered Person is the person or person(s) named on the Endorsement Data Schedule above whose life or lives are used to determine the amount and duration of Withdrawals under this Endorsement. The Covered Person(s) are selected at the time this Endorsement is elected and cannot be changed after the Benefit Effective Date.

**ELIGIBLE PURCHASE PAYMENTS**

If this Endorsement is added on Your Contract Date of Issue, Eligible Purchase Payments include Purchase Payments or portions thereof made on or after the Benefit Effective Date as shown on the Endorsement Data Schedule that are included in the calculation of the Benefit Base, the Income Credit Base and Minimum Income Base, if applicable. If this Endorsement is added after Your Contract Date of Issue, for purposes of determining the initial Benefit Base, initial Income Credit Base and Minimum Income Base, the Accumulation Value on the Benefit Effective Date is considered the Eligible Purchase Payment. The calculation of Eligible Purchase Payments does not include Premium Enhancements, if any.

**EXCESS WITHDRAWAL**

An Excess Withdrawal is any Withdrawal or the portion thereof that: (a) causes the total of all Withdrawals for that Benefit Year to exceed the Maximum Annual Withdrawal Amount; or (b) is taken after the Maximum Annual Withdrawal Amount has been withdrawn, except if taken to meet a Required Minimum Distribution associated with only the Contract to which this Endorsement is attached.

**HIGHEST ANNIVERSARY VALUE**

The Highest Anniversary Value is the Anniversary Value that is the greater of (1) all Anniversary Values or (2) Eligible Purchase Payments, while this Endorsement is effective and the Accumulation Value is greater than zero.

**INCOME CREDIT**

The Income Credit is an amount that may be added to the Benefit Base during the Income Credit Period. The Income Credit is equal to the Income Credit Percentage multiplied by the Income Credit Base.

**INCOME CREDIT BASE**

The Income Credit Base is a component of the calculation of the Guaranteed Minimum Withdrawal Benefit, which is used to determine the dollar amount of any Income Credit during the Income Credit Period.

**INCOME CREDIT PERCENTAGE**

The Income Credit Percentage, shown on the Endorsement Data Schedule above, is the percentage used to calculate any available Income Credit on each Benefit Anniversary during the Income Credit Period. If any Withdrawals were taken in the previous Benefit Year, then the Income Credit is [not available] [reduced] for that Benefit Year [by a percentage calculated as the sum of all Withdrawals taken during the preceding Benefit Year divided by the Benefit Base before determining the Benefit Base for the next Benefit Year].

**INCOME CREDIT PERIOD**

The Income Credit Period is the period of time over which We calculate an Income Credit that may be added to the Benefit Base, as shown on the Endorsement Data Schedule above. Extension of the Income Credit Period is not permitted.

**INELIGIBLE PURCHASE PAYMENTS**

Ineligible Purchase Payments are Purchase Payments or portions thereof that are not included in the calculations of the Benefit Base, the Income Credit Base and the Minimum Income Base.

**MAXIMUM ANNUAL WITHDRAWAL AMOUNT**

The Maximum Annual Withdrawal Amount is the maximum amount that may be withdrawn each Benefit Year under this Endorsement while the Accumulation Value is greater than zero without reducing the Benefit Base and the Income Credit Base, if applicable.

**MAXIMUM ANNUAL WITHDRAWAL PERCENTAGE**

The Maximum Annual Withdrawal Percentage is the percentage, as referenced on the Endorsement Data Schedule above, used to determine the Maximum Annual Withdrawal Amount available for Withdrawal each Benefit Year under this Endorsement while the Accumulation Value is greater than zero and the Covered Person(s) is living.

**MINIMUM BENEFIT BASE**

The Minimum Benefit Base is the guaranteed minimum amount to which the Benefit Base and the Income Credit Base, if applicable, could be increased on the [12<sup>th</sup>] Benefit Anniversary, provided no Withdrawals are taken prior to that anniversary while this Endorsement is in effect.

**PROTECTED INCOME PAYMENT**

The Protected Income Payment is the amount to be paid each year over the remaining lifetime of the Covered Person(s) after the Accumulation Value is reduced to zero but the Benefit Base is still greater than zero.

**PROTECTED INCOME PAYMENT PERCENTAGE**

The Protected Income Payment Percentage is the percentage, as referenced on the Endorsement Data Schedule above, used to determine the Protected Income Payment.

**PURCHASE PAYMENT LIMIT**

The Purchase Payment Limit is set forth on the Endorsement Data Schedule above and represents the maximum total of Eligible Purchase Payments that are included in the calculation of the Benefit Base and Income Credit Base without prior Company approval.

**WITHDRAWAL**

A Withdrawal is the amount of any full or partial surrender of Accumulation Value and any fees or charges attributable to such surrendered amount.

**YOU, YOUR**

You and Your refer to the Covered Person(s) under this Endorsement.

**GUARANTEED MINIMUM WITHDRAWAL BENEFIT PROVISIONS**

The Guaranteed Minimum Withdrawal Benefit described in this Endorsement provides for guaranteed Withdrawals over the lifetime of the Covered Person(s), subject to the following provisions:

**Calculation of the Factors of the Guaranteed Minimum Withdrawal Benefit**

Subject to any applicable withdrawal restrictions under the Code or employer plan, the Guaranteed Minimum Withdrawal Benefit is available for Withdrawal at any time while the Endorsement is in effect and prior to any termination of the Guaranteed Minimum Withdrawal Benefit. The Maximum Annual Withdrawal Amount and Protected Income Payment guaranteed under this Endorsement may change over time as a result of increases or decreases in the Benefit Base as described below. You are responsible for the taxes due on any Withdrawal, including any applicable additional 10% federal penalty tax for certain Withdrawals made prior to attainment of age 59½.

To determine the Guaranteed Minimum Withdrawal Benefit, We use the following factors: Benefit Base, Income Credit Base, Income Credit, Income Credit Percentage, Income Credit Period, Minimum Income Base, Maximum Annual Withdrawal Amount and Protected Income Payment. These factors are not used in the calculation of the Accumulation Value or any other benefits under the Contract.

***Calculation of the Benefit Base*****Calculation of the Benefit Base if the Endorsement is Elected on the Contract Date of Issue**

If this Endorsement is elected on the Contract Date of Issue, the initial Benefit Base is equal to the initial Eligible Purchase Payment, which must equal at least [\$50,000] and is subject to the Purchase Payment Limit.

**Calculation of the Benefit Base if the Endorsement is Elected After the Contract Date of Issue**

If this Endorsement is elected after the Contract Date of Issue, the initial Benefit Base is the Accumulation Value on the Benefit Effective Date, which is considered the initial Eligible Purchase Payment and is subject to the Purchase Payment Limit. The Accumulation Value on the Benefit Effective Date must equal at least [\$50,000]. Additional Purchase Payments made to the Contract after the Benefit Effective Date will not be considered Eligible Purchase Payments.

**Thereafter, on each Benefit Anniversary, the Benefit Base is automatically increased to the greater of (a) or (b) where:**

- a) is the Highest Anniversary Value; and
- b) is the current Benefit Base, plus the Income Credit, if any.

The Benefit Base will continue to be calculated on each Benefit Anniversary while this Endorsement is in effect and both the Accumulation Value and Benefit Base are greater than zero.

***Calculation of the Income Credit Base***

**Calculation of the Income Credit Base if the Endorsement is Elected on the Contract Date of Issue**

The Income Credit Base is used to calculate the amount of the Income Credit during the Income Credit Period. If this Endorsement is elected on the Contract Date of Issue, the initial Income Credit Base is equal to the initial Eligible Purchase Payment, which must equal at least [\$50,000] and is subject to the Purchase Payment Limit.

**Calculation of the Income Credit Base if the Endorsement is Elected After the Contract Date of Issue**

If this Endorsement is elected after the Contract Date of Issue, the initial Income Credit Base is the Accumulation Value on the Benefit Effective Date, which is considered the initial Eligible Purchase Payment. The Accumulation Value must equal at least [\$50,000] and is subject to the Purchase Payment Limit.

**Thereafter, the Income Credit Base is increased and decreased as follows:**

**Increases in the Income Credit Base**

The Income Credit Base increases each time Eligible Purchase Payments are made. The Income Credit Base also increases to the Highest Anniversary Value when the Income Base is increased to the Highest Anniversary Value.

**Decreases in the Income Credit Base**

The Income Credit Base decreases each time an Excess Withdrawal is taken, in the same proportion by which the Accumulation Value is reduced by the amount in excess of the Maximum Annual Withdrawal Amount.

***Calculation of the Income Credit***

On each Benefit Anniversary during the Income Credit Period, [if Withdrawals were not taken during the previous Benefit Year,] the Income Credit is determined by multiplying the Income Credit Percentage by the Income Credit Base. If any Withdrawals were taken in the previous Benefit Year, then the Income Credit is [not available] [reduced] for that Benefit Year [by a percentage calculated as the sum of all Withdrawals taken during the preceding Benefit Year divided by the Benefit Base before determining the Benefit Base for the next Benefit Year].

***Calculation of the Minimum Benefit Base***

The Minimum Benefit Base is shown on the Endorsement Data Schedule above. The Benefit Base will be increased to at least the Minimum Benefit Base on the [12th] Benefit Anniversary, provided no Withdrawals are taken prior to that anniversary while this Endorsement is in effect. If You are eligible for the Minimum Benefit Base, the Benefit Base on the [12th] Benefit Anniversary is the greater of a) or b), where:

- a) is the current Benefit Base; and
- b) is the Minimum Benefit Base.

***Calculation of the Maximum Annual Withdrawal Amount***

The Maximum Annual Withdrawal Amount is calculated by multiplying the Benefit Base by the Maximum Annual Withdrawal Percentage as shown on the Endorsement Data Schedule, which is determined by Your Age at the time You first take a Withdrawal from Your Contract after the Benefit Effective Date.

Withdrawals during a Benefit Year that in total are less than or equal to the Maximum Annual Withdrawal Amount will not reduce the Maximum Annual Withdrawal Amount, the Benefit Base and the Income Credit Base, if applicable. If you take a Withdrawal in a Benefit Year, the Income Credit is reduced [to zero] for that Benefit Year. If You choose to take less than the Maximum Annual Withdrawal Amount in any Benefit Year, You may not carry over the unused amount for withdrawal in subsequent Benefit Years. Your Maximum Annual Withdrawal Amount in any year will not be recalculated solely as a result of taking less than the entire Maximum Annual Withdrawal Amount in the prior year.

Withdrawals taken under this Endorsement are treated like any other Withdrawal under the Contract for purposes of calculating Accumulation Value, charges, including any Surrender Charges, Surrender Charge-free amounts, fees, applicable taxes and any

other benefits under the Contract. In any Benefit Year, Withdrawals up to the Maximum Annual Withdrawal Amount are free of Surrender Charges.

### ***Calculation of the Protected Income Payment***

If the Accumulation Value is reduced to zero due to unfavorable investment performance and/or fees, Withdrawals up to the Maximum Annual Withdrawal Amount, if you live longer than expected, or any combination of these factors, but the Benefit Base is still greater than zero, the Protected Income Payment is calculated by multiplying the Benefit Base by the applicable Protected Income Payment Percentage, as shown on the Endorsement Data Schedule, which is determined by Your Age at the time You first take a Withdrawal from Your Contract after the Benefit Effective Date. You will receive the Protected Income Payment each year for the remaining lifetime of the Covered Person(s).

## **Increases and decreases in the Benefit Base and the impact to Your Maximum Annual Withdrawal Amount**

### **Increases in the Benefit Base**

The Benefit Base is increased anytime an Eligible Purchase Payment is allocated to Your Contract. The Benefit Base is also increased by any available Income Credit on any Benefit Anniversary during the Income Credit Period, or as a result of a Highest Anniversary Value being achieved resulting in the Benefit Base being stepped up on a Benefit Anniversary. In addition, the Benefit Base can also be increased to the Minimum Income Base on the [12th] Benefit Anniversary, provided no Withdrawals are taken before the [12th] Benefit Anniversary. In any Benefit Year during which Eligible Purchase Payments are allocated to Your Contract, any remaining Withdrawals of the Maximum Annual Withdrawal Amount will be based on the increased Maximum Annual Withdrawal Amount reduced by Withdrawals previously taken in that Benefit Year. If the Benefit Base is increased on a Benefit Anniversary, the Maximum Annual Withdrawal Amount will be recalculated on that Benefit Anniversary, applicable to the coming Benefit Year, by multiplying the increased Benefit Base by the applicable Maximum Annual Withdrawal Percentage. The Endorsement Fee will be assessed on the increased Benefit Base.

### **Decreases in the Benefit Base**

Any Excess Withdrawal in a Benefit Year reduces the Benefit Base in the same proportion by which the Accumulation Value is reduced by the Excess Withdrawal. As a result of a reduction of the Benefit Base, the Maximum Annual Withdrawal Amount will also be reduced. The new Maximum Annual Withdrawal Amount will be equal to the reduced Benefit Base multiplied by the applicable Maximum Annual Withdrawal Percentage. The last recalculated Maximum Annual Withdrawal Amount in a given Benefit Year is available for Withdrawal at the beginning of the next Benefit Year and may be lower than the previous Benefit Year's Maximum Annual Withdrawal Amount. When the Accumulation Value is less than the Benefit Base, Excess Withdrawals will reduce the Benefit Base by an amount which is greater than the amount of the Excess Withdrawal. In addition, no Income Credit will be added to the Benefit Base in that Benefit Year.

### **Required Minimum Distributions**

This provision applies **only** to the Contract to which this Endorsement is attached. If you are taking Required Minimum Distributions and the Required Minimum Distribution amount required to comply with the minimum distribution requirements of Code section 401(a)(9) and related provisions of the Code and regulations ("RMD"), as determined solely with reference to this Contract and its benefit, is greater than the Maximum Annual Withdrawal Amount in any given Benefit Year, no portion of the Required Minimum Distribution will be treated as an Excess Withdrawal provided that all of the following conditions are met:

1. No Withdrawals in addition to the RMD are taken in that same year;
2. Any RMD withdrawal is based only on the value of the Contract (including endorsements) to which this Endorsement is attached and its benefits;
3. If the Benefit Effective Date is on or before the Required Beginning Date (RBD) of your RMD, You take the first yearly RMD withdrawal in the calendar year you attain age 70½, or retire, if applicable; and
4. You do not make any RMD withdrawal that would result in You being paid in any Benefit Year more than one calendar year's RMD amount.

Any portion of a Withdrawal in a Benefit Year that is more than the greater of both the Maximum Annual Withdrawal Amount and the Required Minimum Distribution amount will be considered an Excess Withdrawal for the purpose of the recalculation of the Income Credit Base, Benefit Base and Maximum Annual Withdrawal Amount. [Furthermore, the Income Credit will be reduced to zero if total Withdrawals taken in any Benefit Year, including Required Minimum Distributions, are in excess of the Maximum Annual Withdrawal Amount. ]

### **If Your Accumulation Value is Reduced to Zero**

If Your Accumulation Value is reduced to zero because of an Excess Withdrawal, no further benefits will be payable under this Endorsement or the Contract, and Your Contract along with the Endorsement will terminate. However, if Your Accumulation Value is reduced to zero due to unfavorable investment performance and/or fees, Withdrawals up to the Maximum Annual

Withdrawal Amount, if you live longer than expected, or any combination of these factors, and the Benefit Base is greater than zero, We will pay the remaining Maximum Annual Withdrawal Amount for that Benefit Year in the same frequency withdrawals had been taken, i.e. monthly or quarterly. Thereafter, we will pay the Protected Income Payment over the remaining lifetime of the Covered Person(s) which will be calculated by multiplying the Benefit Base by the Protected Income Payment Percentage, as shown on the Endorsement Data Schedule.

Because the Accumulation Value has been reduced to zero, the Endorsement Fee will no longer be deducted, the Benefit Base will no longer be increased to the Highest Anniversary Value and Income Credits will not be applied, if applicable. In addition, all other benefits under the Contract will be terminated and You may no longer make subsequent Purchase Payments or transfers, and no Death Benefit is payable.

When the Accumulation Value equals zero and the Benefit Base is greater than zero, to receive any remaining Guaranteed Minimum Withdrawal Benefit, you must select one of the following options:

1. The Protected Income Payment, divided equally and paid on a monthly, quarterly, semi-annual or annual frequency as selected by You until the date of Your death(s); or
2. Any payment option mutually agreeable between You and Us.

Once You elect a payment option, it cannot be changed. If You do not select a payment option above, the remaining benefit will be paid as an amount based on the Protected Income Payment Percentage. This amount will be divided equally and paid on a [quarterly] basis until the date of death of the Covered Person(s).

#### **Latest Annuity Date**

If the Accumulation Value and the Benefit Base are greater than zero on Your Contract's latest Annuity Date, if any, You must select one of the following options:

1. Annuitize the Accumulation Value under the Annuity Provisions of the Contract; or
2. Elect to receive the Protected Income Payment, as of the latest Annuity Date, divided equally and paid on a monthly, quarterly, semi-annual or annual frequency as selected by You until the date of death of the Covered Person(s); or
3. Any payment option mutually agreeable between You and Us.

If You do not select an option listed above, on the latest Annuity Date, We may annuitize the Accumulation Value in accordance with one of the single or joint life and period certain options under the Annuity Provisions of the Contract or payments that do not exceed Your life expectancy as required by the IRS.

#### **Investment Requirements**

We require that you allocate your Purchase Payment(s) and Premium Enhancements, if applicable, and Accumulation Value in accordance with established requirements stated in the Prospectus. We require enrollment in a [quarterly] automatic asset rebalancing program that complies with the investment requirements. In addition to [quarterly] asset rebalancing, We will initiate rebalancing in accordance with your most current and compliant automatic asset rebalancing instructions on file after any Withdrawal or transfer You initiate.

#### **Termination of Withdrawals Over Two Lives**

If there are two Covered Persons on the Benefit Effective Date, Withdrawals guaranteed for the life of one of the Covered Persons will terminate if:

1. One of the two Covered Persons is removed from the Endorsement due to any reason other than death; or
2. The Covered Persons are no longer married at the time of death of the first Covered Person.

Termination of Withdrawals guaranteed for the life of one Covered Person does not impact any other terms and conditions of this Endorsement, including the applicable Endorsement Fee, which is based on the number of Covered Persons on the Benefit Effective Date.

#### ***Cancellation of the Guaranteed Minimum Withdrawal Benefit***

Other than the automatic cancellation detailed below, You cannot cancel this Endorsement in the first [5] Benefit Years unless You surrender Your Contract. You may cancel this Endorsement as detailed below. The Guaranteed Minimum Withdrawal Benefit available under this Endorsement or any other Guaranteed Minimum Withdrawal Benefit endorsement the Company may currently offer may not be re-elected or reinstated after a cancellation.

**Cancellation Effective Date**

If Your cancellation request is received:

1. In the first [5] Benefit Years, the cancellation is effective on the [5<sup>th</sup>] Benefit Anniversary;
2. In any Benefit Year after the [5<sup>th</sup>] Benefit Anniversary, the cancellation is effective on the Benefit Quarter Anniversary following Our receipt of the cancellation request.

**This Endorsement and the Endorsement Fee will cancel automatically upon the occurrence of one of the following:**

1. Death of the Covered Person, or if there were two Covered Persons, upon the death of the surviving Covered Person; or
2. A Death Benefit is paid resulting in the Contract being terminated; or
3. The Contract is fully or partially annuitized; or
4. An Excess Withdrawal that reduces the Accumulation Value and Benefit Base to zero; or
5. Any change occurs that removes all Covered Persons from the Contract; or
6. The Contract is cancelled or surrendered for any reason; or
7. You elect to take a loan from the Contract.

If You cancel or surrender the Contract or Endorsement while Your Accumulation Value is greater than zero, We will assess a pro-rata charge for the Endorsement Fee applicable to the Benefit Quarter in which the cancellation or surrender occurs if the Contract or Endorsement was cancelled or surrendered before the end of a Benefit Quarter. The pro-rated charge is calculated by multiplying the fee by the number of days between the date when the prior fee was last assessed and the date of cancellation or surrender, divided by the number of days between the prior and the next Benefit Quarter Anniversaries. Thereafter, You will no longer be charged a fee.

**Death of Covered Person(s)**

If there is one Covered Person and that person dies, this Endorsement and the Endorsement Fee will be terminated.

If there are two Covered Persons, upon the first death, if the surviving Covered Person elects to continue the Contract, this Endorsement is also continued. Upon the election of continuation, the Benefit Effective Date and applicable Endorsement Fee based on two Covered Persons will not change.

Signed for the Company to be effective on the Benefit Effective Date.

**THE VARIABLE ANNUITY LIFE INSURANCE COMPANY**

**SECRETARY**



**PRESIDENT**

*SERFF Tracking Number:* AGNN-126982529 *State:* Arkansas  
*Filing Company:* The Variable Annuity Life Insurance Company *State Tracking Number:* 47689  
*Company Tracking Number:* GMWB-1210  
*TOI:* A02.1G Group Annuities - Deferred Non- *Sub-TOI:* A02.1G.002 Flexible Premium  
Variable and Variable  
*Product Name:* GMWB Endorsement  
*Project Name/Number:* GMWB-1210/GMWB-1210

## Supporting Document Schedules

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Flesch Certification <b>Comments:</b> <b>Attachment:</b> AR-FLESCH.pdf		

	Item Status:	Status Date:
<b>Satisfied - Item:</b> SOV <b>Comments:</b> <b>Attachment:</b> GMWB-1210_SOV.pdf		

## CERTIFICATION

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY, NAIC #70238, hereby certifies that the following form(s) comply with the Flesch scale of readability requirements of Ark. Stat. Ann. s 23-80-206 and s 23-80-207 as cited in the Life and Disability Insurance Policy Language Simplification Act.

<u>Form Number</u>	<u>Form Description</u>	<u>Flesch Score</u>
GMWB-1210	Endorsement	50



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Tracey Harris  
Vice President

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January 12, 2011  
Date



**Explanation of Statement of Variability (“SOV”)  
Bracketed Material for Endorsement Form GMWB-2010**

**(We will re-file this Statement of Variability prior to making any offering that goes beyond the ranges contained herein.)**

<b>Variable #</b>	<b>Description</b>
1	Eligible Purchase Payments - The percentage of Purchase Payments included in the Benefit Base calculation will be based on when the Purchase Payment is contributed. The endorsement may be elected at contract issue or it may be added to an existing policy. If the endorsement is elected on the Contract Issue Date, then item 1(a) will be included on the data schedule. If the endorsement is elected after the Contract Date of Issue, then item 1(b) will be included on the data schedule.
2	Purchase Payment Limit – If the endorsement is elected on the Contract Issue Date, then item 2(a) will be included on the data schedule. If the endorsement is elected after the Contract Date of Issue, then item 2(b) will be included on the data schedule. The range for the Purchase Payment limit is \$1,000,000 to \$1,500,000.
3	<p>The values in the fee table will range as follows:</p> <ul style="list-style-type: none"> <li>• The range for item 3(a) is 0.60% to 2.0%</li> <li>• The range for item 3(b) is 1.20% to 4.0%</li> <li>• The range for item 3(c) is 0.10% to 0.80%</li> <li>• The range for item 3(d) is 0.05 to 0.50%</li> <li>• The range for item 3(e) is 0.0500% to 0.0725%</li> <li>• The range for item 3(f) is 0.10% to 0.50%/4</li> </ul> <p>At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only.</p>
4	<p>Income Credit Percentage &amp; Income Credit Period – The Income Percentage range is 1% to 12%. The Income Credit Period is 1 to 12 years.</p> <p>At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only.</p>
5	<p>Maximum Annual Withdrawal and Protected Income Payment Percentages – the values in the table will range as follows:</p> <ul style="list-style-type: none"> <li>• The range for item 5(a) is age 35 to less than 75</li> <li>• The range for item 5(b) is age 50 and older</li> <li>• The range for item 5(c) is 4.0% to 8.0%</li> <li>• The range for item 5(d) is 3.5% to 7.5%</li> <li>• The range for item 5(e) is 1.5% to 5.0%</li> </ul> <p>At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only.</p>
6	Minimum Benefit Base – Depending upon when the endorsement is elected (either at the time of Contract Issue or after the policy is issued), the items in brackets will print according to the correct situation. The percentage range is 200% to 250%. The range of years for the Benefit Anniversary reference is 1 to 15 years. At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only
7	Income Credit Percentage – the information in brackets may vary depending upon the amount of the credit. If withdrawals are taken, one income credit percentage will result in the unavailability of the income credit while another income credit percentage will result in a reduced, but not eliminated, credit. At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only

**Explanation of Statement of Variability (“SOV”)  
Bracketed Material for Endorsement Form GMWB-2010**

**(We will re-file this Statement of Variability prior to making any offering that goes beyond the ranges contained herein.)**

8	The range for the Initial Eligible Purchase Payment is from \$25,000 to \$100,000. At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only
9	The range for the payment of benefit is monthly, quarterly, semi-annual or annual basis. At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only
10	Enrollment in an investment asset rebalancing program may be monthly, quarterly, semi-annually or annually. At the time of issue, the endorsement will include a definitive amount and any change will be for newly-issued endorsements only
11	The GMWB may be terminated by the Owner and the provisions referenced on the Endorsement will be printed. The range for the request to be received is 1-20 years prior to or after a Benefit Year Anniversary or Effective Date.